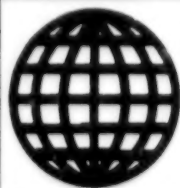


JPRS-SEA-91-001  
4 JANUARY 1991



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# ***JPRS Report***

## **East Asia**

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***Southeast Asia***

# East Asia Southeast Asia

JPRS-SEA-90-001

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### **Talks Held With Japanese Research Center Official**

9ISE0065C Rangoon *THE WORKING PEOPLE'S DAILY* in English 17 Nov 90 p 12

[Text] Yangon, 16 November—Minister for Planning and Finance and for Trade Brig-Gen Abel received Mr T. Takahara, President of Century Research Centre and members of his mission at the Ministry of Trade at 10 am today. Matters relating to research report for the Economic Development of Myanmar [Burma] were discussed at the meeting.

Present on the occasion were officials from the Ministry of Planning and Finance and the Ministry of Trade.

### **Joint Symposium on Economic Cooperation Held**

9ISE0065A Rangoon *THE WORKING PEOPLE'S DAILY* in English 16 Nov 90 p 2

[Text] Yangon, 15 November—A Symposium on Economic Cooperation between Myanmar [Burma] Naing-Ngan and Korea was held today at the meeting room of the Department of Medical Research and Director-General of the Budget Department U Min Aung delivered an opening statement.

The Director-General in his statement said that this Symposium is one of the four activities in the implementation programme for "Bilateral Project on Economic Co-operation between Myanmar Naing-Ngan and Korea." It was formulated after the visit of Dr Dal-choong Kim, Director of the Institute of East and West Studies, Yonsei University to Yangon in August 1989. The main purpose of this Project is to have a better understanding of Myanmar's economic development activities and its prospects and also to share with Myanmar, Korea's economic development experiences through the reciprocal visits of both sides. Moreover, the project will further enhance the existing economic cooperation between the two countries through better understanding of mutual needs.

Today's symposium is the third activity under this project. Two sessions were held today. The Director-General of the Foreign Economic Relations Department U Soe Thwin presided over the morning session and the afternoon session was chaired by Daw Khine Khine, Director-General of the Planning Department.

The opening ceremony was attended by Directors-General and Managing Directors of departments and enterprises and discussions were made by the participants from 12 ministries after research papers were presented by professors of Yonsei University and Myanmar officials. The paper readings and discussions will continue on 16 November.

Today's session ended at 4:30 pm.

### **Monk Killed, Others Wounded by Insurgents**

9ISE0065B Rangoon *THE WORKING PEOPLE'S DAILY* in English 18 Nov 90 p 11

[Text] Yangon, 17 November—Insurgents have been undermining peace and tranquility and opening fire with small-arms and launchers on travelling public without any reason.

One incident was that about 30 KNU [Karen National Union] and ABSDF [expansion unknown] insurgents opened fire on one passenger bus, Chevrolet with plate number *Kagyi/90* on its Yebyu-Dawei route on the morning of 13 November.

One monk passed away, Maung Kyi Lwin from Dawei died on the spot and seven others were seriously wounded. Those wounded were U Than Myint, 43, from Hsinthay village, Yebyu Township; U Saw Han, 32, from Ottaran village, Yebyu Township; U Ohn Sein from the same village; Daw Kyi Hla, 39, from Kyaunkkahnyar village, Yebyu Township; U Ingula, 29, Hnyinhthwe village, Yebyu Township; and Ko Ohn Myint and Maung Nyunt Thaug, 20, from Dawei.

The wounded were taken to Dawei Hospital. Tatmadaw columns are in hot pursuit of the retreating insurgents, it is learnt.

## STATE OF CAMBODIA

### General Negotiates Release of Captive

91SE0053A Bangkok THAI RAT in Thai  
12 Nov 90 pp 1, 14

[Excerpt] [passage omitted] Heng Samrin soldiers arrested Mr. David Found, a 23-year-old Englishman and free-lance writer for the English magazine PARNAS PICTURES, who had sneaked into the Poipet black market in Cambodia opposite Ban Khok Sabaeng in Tha Cham Subdistrict, Aranyaprathet District, Prachinburi Province. He was arrested on the morning of 10 November 1990 and taken for interrogation. Thai officials learned of his arrest and asked the Cambodians to release him.

A reporter reported that on the evening of 10 November, Major Suwaphan Phuangphet, the deputy commander of the 3d Battalion, 12th King's Guard Infantry Regiment, Burapha Force, and Captain Thatnai Pathumthong, an officer with this same unit, contacted the Heng Samrin forces at Poipet. After negotiating with Major General Moi Man, who is responsible for the Poipet-Sisophon area, they went and questioned Mr. Found. Initially, there was concern that he was a foreign spy carrying on espionage activities in Cambodia. The Cambodian soldiers had seen him taking pictures in the area of the black market. Because he looked suspicious, they detained him for questioning. But later on, after they learned that he was an English free-lance writer, they turned him over to Thai officials, who escorted him back to Thailand.

Mr. David Found told reporters that he had gone into Cambodia because he wanted to obtain information for a magazine article he planned to write. He had crossed into Cambodia at the Khlong Luk bridge. When he got to the Poipet black market, he was arrested and questioned by Heng Samrin soldiers. From the questioning, they determined that he was not a spy and so they released him to the Thai soldiers who had gone there to get him. While in Cambodia, he had seen a large number of armed soldiers, and there had been heavy fighting with Khmer Rouge troops. He had been living in Thailand for two years. When he sneaked into Cambodia and was arrested, he was very frightened, because he thought he would be killed. But after that, he was given a warm welcome. The Cambodian soldiers gave him beer, and he was eventually released. [passage omitted]

### Refugee Resettlement Issues Detailed

91SE0060A Frankfurt/Main FRANKFURTER  
ALLGEMEINE in German 30 Nov 90 p 8

[Article by Erhard Haubold: "Torn Limbs and Malaria on the Cambodian Border: Forced Return of Refugees; Chinese and American Aid"]

[Text] Phnom Penh, 29 Nov—Even though the "peace process" for Cambodia has bogged down, many of the

300,000 refugees in Thai camps are looking forward to their return home to the land of the Khmer. Two-thirds of them, according to a study financed by the Ford Foundation, come from the provinces of Siem Reap, Battambang, Pursat, and Banteay Meanchey near the border and want to return there as soon as this is possible.

But many of them have spent 10 years in the camps. Others were born there and never in their lives have seen either a water buffalo or a rice paddy. It is more important that the six large camps on the Thai border are provided with medically unobjectionable drinking water and that there is hardly any malaria. If they were brought back to their country unprepared and with an underdeveloped immune system, the people would quickly fall victim to the "three M's," as a French physician in Phnom Penh put it: "malaria, mines, and merde (serious diarrhea)." For in Cambodia the people drink water from dirty rivers and contaminated pools and a poorly equipped hospital is responsible for half a million people. Every year there is more and more of the deadly malaria and right now a dengue fever epidemic is raging, to which mostly children and foreigners fall victim.

It is for this reason that the international "nongovernmental" relief organizations (NGO's) in Phnom Penh are calling for a "repatriation with protection." Under the leadership of the UN High Commissioner for Refugees, they worked out a plan that foresees the transfer of 10,000 people a week from the border camp to a transit camp and then, with some delay, to their home villages. The transportation and the clearing of mines, the initial help with foodstuffs and agricultural utensils, the material for small dwellings, the development of "clean" sources of water and the setting up of a medical infrastructure and a school system are to be financed with \$109 million. But neither the three guerrilla groups nor the United States and China want to know anything about the UN plan. And the Thais, who as "hosts" could have the last say, remain silent: they are profiting from the Chinese deliveries of weapons to the resistance and they are also taking their share of the substantial gains that the Khmer Rouge partisans are making in the "liberated areas" with the extraction of precious gems (Pailin) and hardwoods (Pursat). With a view to the upcoming elections under the supervision of the United Nations, the guerrilla groups want to keep their voters together and under close control. Secretly and not without force they have moved some of "their" camp population from Thailand to Cambodia, where there are supposedly schools and hospitals waiting for the home-comers. In reality, however, "the living conditions there are dreadful," as an NGO helper reports, who observed desperate Khmer who wanted to go back across the border to Thailand: "Some had stepped on mines and had torn limbs or badly injured abdominal walls. Others came with severe malaria, which killed many."

At the International Committee of the Red Cross in Phnom Penh, they are talking about a "brutal" resettlement and criticizing the fact that a free and internationally supervised decision by the refugees is not possible. So far 60,000 to 100,000 people have been affected by the secret population policy with which the noncommunist partisans under Son Sann (KPNLF) [Khmer People's National Liberation Front] and Sihanouk (ANS [National Sihanoukist Army]) as well as the communist Khmer Rouge along the northern border (Khmer Rouge and ANS), in the center (KPNLF) and in the south (Khmer Rouge) create "liberated zones"—a second Cambodia from which the civil war can be continued for a long time to come, a second Cambodia that can be used as a bartering object in negotiations with Phnom Penh, which has already lost control over the western border—with the exception of Poipet and Sisophon—to the

guerrillas. Whereas the Khmer Rouge is financing its operations with precious gems and Chinese assistance, American aid in the amount of at least \$10 million to \$15 million a year is benefiting the noncommunist groups KPNLF and ANS. "Thank you, U.S. aid," is found on many school uniforms in the KPNLF camps. Belgian diplomat Raoul Jennar, who has been entrusted by the NGO's in Phnom Penh with a regular situation analysis, reports on a "strategic axis," a road 21 km long and 7 meters wide that was built with U.S. aid money and that links the KPNLF camp "Site 2" in Thailand with the "advanced base" Thmar Puok in Cambodia. "Under a humanitarian pretext, the United States has made a military contribution that also strengthens the position of the KPNLF with respect to the planned partisan offensive against Sisophon."

**Possible Launch of Satellite With PRC Rocket**

91SE0058B Jakarta KOMPAS in Indonesian 17 Nov 90  
p 4

[Editorial: "Launching Palapa With China's Long March Rocket Is Interesting Idea"]

[Text] One of the most interesting reports to come out of President Suharto's visit to the PRC concerns the possibility that Indonesia will use Chinese rocket facilities to launch the Palapa satellite. This gives the impression that Indonesia really is displaying an independent and self-reliant attitude in looking at matters connected with the space technology development program.

It seems as though an inescapable tendency to rely on the United States in these matters has existed ever since Indonesia entered the era of satellite communications in 1976. This is understandable because the packet for the purchase of Palapa satellites was tied to funding by the U.S. Export-Import Bank and included the condition that American launch vehicles be used to put the satellites in orbit.

Consequently, this relationship between Indonesia and the United States has many strings attached. There is no need to explore its advantages and disadvantages here, for we see that it has developed into a traditional relationship.

We are well acquainted with the Delta rocket of McDonnell-Douglas and also the ill-fated Challenger shuttle vehicle, which put the Palapa B-1 and B-2 satellites into orbit in 1983 and 1984. We are also familiar with the Hughes HS 376 satellite, which has now become the backbone of our domestic satellite communications system. We mention all these things simply to illustrate that we have a special relationship with the United States as regards satellites and their launching.

On this basis then, it is not surprising that Arianespace, a European consortium, has failed to break through the "traditional relationship" referred to above. Reliance on the U.S. launching system was shaken by the Challenger disaster in January 1986, and this seemed to encourage non-U.S. organizations with launching facilities in their efforts to break into the traditional U.S. market.

Arianespace markets the Ariane rocket, which was involved in an accident in September 1987 not long after the Challenger disaster. This organization appeared on the scene first with a number of attractive offers, including an offer to Indonesia to launch the Palapa B-2P satellite. They had a valid claim, namely that satellites launched from the European Space Center in Kourou, French Guiana had a longer life than the satellites launched from Cape Canaveral. Their financial offer also was attractive.

But none of these things could upset the traditional relationship between the United States and Indonesia. The Palapa B-2P satellite was launched by a Delta rocket.

Glavkosmos, which markets the Russian Proton rocket, also tried to entice Indonesia to use Russia's rocket facilities, facilities which have proven to be reliable and far less expensive. And to sweeten the pot the Soviet Union also offered to let Indonesian space personnel participate in space programs with Soviet crews. This overture was also not accepted.

But in the last two days we have heard a different story. When touring the Chinese Launch Vehicle Technological Academy, which makes the Long March rocket, President Suharto indicated that Indonesia might possibly use the PRC rocket to launch the Palapa B-4 satellite.

According to the chief of state, Indonesia is free to select the launch facilities it will use, but launch security must be guaranteed and costs must be lower.

First, we would like to take note of the statement made by the chief of state regarding the freedom to select launch facilities. This is something new because it really gives the impression of being freed from the "connection with the United States" which we commented on above.

Second, the PRC can easily meet the conditions posed by Indonesia. The director of the Chinese Launch Vehicle Academy explained that since the academy was built 30 years ago, 25 Long March rockets of various types have been launched with no difficulty. The question of reliability is well-answered by this statistic.

The cost of launching the Long March rocket is \$31 million, which is \$17 million less than that of the Delta rocket. The Chinese said, and we assume, that the lower cost is possible because manpower is less expensive in China and the components of the launching system can be made in China.

In this connection we also recognize that PRC rocket design is not as complex as U.S. design but does have proven operational standards.

All of this leads to the conclusion that a decision to launch the Palapa B-4 with a Long March rocket can be justified.

In looking at China's space program we must recognize that progress has been made, even if it is not as spectacular as that achieved by the United States or Soviet Union.

There is an active rocket launching facility in the interior of Sichuan Province, and this facility has even launched a U.S. artificial satellite. The AsiaSat 1 satellite was launched there recently using a Long March rocket.

This is an unusual development in itself as the United States always has firmly prohibited the use of non-Western rockets to launch its artificial satellites. Its concern has been that sophisticated satellite technology will fall into the hands of an enemy.



Even though a Chinese rocket was used to put AsiaSat into orbit, the United States usually maintains a strict attitude regarding the use of non-Western rockets to launch its artificial satellites. But at the same time it is clear that situations are changing. When the distinction between West and non-West becomes more and more fluid, and when buyers begin to set the majority of business trends, it will become more and more difficult for the U.S. to ignore these changes.

In Indonesia itself the development of rocket and satellite technology is receiving special attention, as President Suharto told the director of the Chinese Launch Engine Academy. This program is particularly important in view of the vast area covered by Indonesia, which necessitates the use of satellites to support communication systems and other strategic interests.

As regards satellites, IPTN (Nurtanio Aircraft Industrial Company) intends to produce its own Indonesian satellite and is now sending many of its research personnel and engineers to the Hughes plant in El Segundo. And as regards rockets, we are closely following the activities being carried out by Lapan (National Space and Aviation Institute).

Indonesia also has an advantageously positioned launching site on Gag Island near Biak in Irian Jaya. Since its geographical position is not far from the equator, larger (satellite) cargos can be carried and satellites launched from the site will have a longer operating life. A number of other nations are interested in supporting this launching site because of these considerations.

Within the context of all these matters, perhaps we should aim at the possibility of cooperation with the PRC not only in launching the Palapa B-4 satellite but also in accelerating the program for the development of a national capability in the field of satellites and rockets. We will very much need this capability in the future for various requirements which we alone will determine.

#### **ABRI Scholarships for University Students**

91SE0058C Jakarta ANGKATAN BERSENJATA  
in Indonesian 19 Nov 90 p 11

[Text] ABRI [Armed Forces of the Republic of Indonesia] Headquarters is giving male and female college students the opportunity to serve as volunteer officers through the ABRI Service Contract Scholarship Program. Students at the following universities are eligible for the program: UI (University of Indonesia), UPN VET Jakarta [not identified], ITB (Bandung Institute of Technology), UNPAD (Padjadjaran University), UNDIK (Diponegoro University), UGM (Gajah Mada University), ISI [not identified], STF Pradnya Widya (Pradnya Widya Pharmaceutical Academy), STTH Duta Wacana (Duta University), ITS (Surabaya Institute of Technology), UNBRA (Brawijaya University) and UNUD (Udayana University).

Candidates will be male or female citizens of Indonesia and practice a religious faith. When they enter training on 23 February 1991, those enrolled in a bachelor degree (S1) program will be 23 to 27 years of age and those enrolled in a D III (SO) program will be age 22 or 23. The minimum height requirement for men is 160 cm and for women 155 cm.

Requirements for candidates in specific disciplines or study programs are shown below.

1. Candidates in a bachelor degree (S1) program in general medicine with 158 to 178 semester credit units may not be more than 25 years of age, with 179 to 199 semester credit units they may not be more than age 26, and with more than 200 semester credit units they may not be more than age 27.

2. Candidates in a bachelor degree (S1) program in a field other than general medicine may not be more than age 23 if they have 110 to 130 semester credit units, not more than age 24 if they have 131 to 150 semester credit units, and not more than age 25 if they have more than 150 semester credit units.

3. Candidates in a D III program may not be more than 22 years old if they have 80 to 99 semester credit units and not more than 23 years old if they have more than 100 semester credit units.

Lists showing the disciplines and study programs desired by ABRI may be examined at designated registration sites in the adjutant general offices of Military Region Commands and Military Area Commands and at the administrative offices of departmental faculties in Jakarta, Bandung, Semarang, Yoyakarta, Surakarta, Surabaya, Malang, and Denpasar. Candidates who meet the requirements will be asked to participate in a selection process during the first and second weeks of January 1991.

Persons approved in the selection process will receive four months of training in the ABRI Volunteer Officer Candidate School for the Army, Navy, Air Force, and Police at the Surabaya Naval Training Command. Correspondence with ABRI officials is not permitted while the selection process is underway, and no fees of any kind will be collected.

After completing the training, students in bachelor degree (S1) programs will be appointed ABRI volunteer officers with the rank of second lieutenant. Students in D III (SO) programs will hold the rank of officer candidate. The students will then be assigned to study at their respective universities and will receive scholarship allowances in addition to their benefits as members of ABRI.

#### **Criticism of Educational System**

91SE0058A Jakarta KOMPAS in Indonesian 17 Nov 90  
p 12

[Text] At the present time the formal educational system in Indonesia is not fully relevant to the demands of the



industrialization process, even though the idea of industrialization is one expression of the national aspiration to become a modern nation.

This was the view presented by Dr. Mochtar Buchori, senior research member of LIPI (Indonesian Science Foundation), on Friday at a workshop on the role of labor unions in developing nations. The 2-day workshop is being presented for alumni of the Friedrich Ebert Foundation by the PPSM (Human Resources Management Center) and YTKI (Indonesian Manpower Foundation), in cooperation with the Yayasan Karyawan Pancasila (Pancasila Workers Foundation), at the YTKI building in Jakarta.

He said that it is clearly evident from, among other things, the large number of unemployed school graduates that the formal education system in Indonesia lacks relevance. They are incapable of filling the job openings that exist in various sectors. "In short, there is a gap between what the education system is now producing and what various types of industry are requesting," he stated.

For example, according to data compiled by Papitek (Scientific Development Analysis Center) of LIPI, there is a severe shortage of technical personnel with bachelor's degrees and of specialists in high current and low current electronics and telecommunications at Perumtel (State Telecommunications Company). Perumtel has only 800 people in these categories but needs between 1,100 and 4,200.

#### **Inconsistency**

The shortage of these specialists is creating inefficiency in Perumtel services. Perumtel needs an additional 325 to 800 persons a year in these three specialties during the Fifth 5-Year Plan.

The PLN (State Electric Company) employs some 46,000 workers to operate an electrical generating network with an installed capacity of 6,500 megawatts. It is estimated that Indonesia will need 27,000 megawatts of

electrical power by 2015, and this means the PLN must add 315 to 630 college graduates to its work force each year until then.

The shortage of skilled personnel is felt not only by Perumtel and the PLN but also by the automotive, electronics, basic metals, financial, tourism, construction, and other industrial sectors.

Ironically, there are still many college graduates who are unemployed. "This happens because of the inconsistency between the type of graduates produced by the education system in Indonesia and the type of graduates needed by the industries we are building," Dr. Mochtar Buchori said.

#### **Should Be Brought Together**

In our efforts to provide skilled and expert manpower we usually focus too closely on the institutions in the ladder of the official educational system, beginning with primary school and extending through middle school, high school, economics high school, technical school and the universities with their various departments. Conversely, the potential of nonformal educational institutions, such as the MBA [not identified] programs, vocational courses and job training programs being provided by the government and by the private sector, does not receive enough attention.

Mochtar recommends that the data on the various types of nonformal educational institutions be reviewed and that the institutions be restructured and brought together to build a national educational potential capable of producing the types of workers demanded by the industrialization program.

All institutions that provide these job training and educational programs should be "coupled" to the existing system of formal education. This will produce the image of a "new" educational system that will be more comprehensive and contemporary than the "official system" we have known for so long.

### Thai Writer Examines Attitudes on Refugees

91SE0052A Bangkok MATICHON in Thai  
14 Nov 90 p 9

[Article by Suphang Chanthawanit, Institute of Asian Studies, Chulalongkorn University; the views expressed here are the personal views of the writer and are not necessarily in line with the policies of the institute]

[Excerpt] [passage omitted] On 30 October, members of the Indochina Refugee Data Center, Institute of Asian Studies, traveled to Vientiane, Laos, and met with Souban Salitthilat, the Lao deputy minister of foreign affairs, who informed them about the policy of the Lao government on this matter.

In the view of Lao officials, the problem of Lao refugees stems from two things, that is, a misunderstanding concerning the communist system of government and the people's fear of reprisals. As for the first reason, the Lao people in general are unfamiliar with the communist system. They are afraid that this system will force them to give up their ownership rights to their assets. They fear that the government will confiscate even minor items such as wrist watches. This is why people decided to flee.

The second reason concerns those who once held power in the old regime and who once caused problems for the people. They are afraid that now that the system has changed, there will be reprisals against them. They couldn't stay in Laos and had to flee.

After fleeing to a front-line country such as Thailand, refugees have three desires. One is to live in Thailand temporarily while waiting for the situation in Laos to change as desired, after which they will return home. The second is to immigrate to a third country, particularly the United States, France, Canada, or Australia. The third is to return to their homeland. But only older people have this desire. Younger people who were born outside Laos or who left Laos when they were still babies don't have any ties to Laos and are not familiar with life in Laos. Lao officials want to change this.

However, for those who return to Laos, the Lao government considers all of them to be Lao. There is no division of people into groups, such as Hmong or Lao. Just after returning, some people are still afraid of the new system. But after awhile, they lose their fear. The Lao government holds one week seminars so that refugees who have returned home voluntarily can learn about the new system and how to live in this new system. They are also given food and various items needed to start a new life, with these items provided by the UN High Commissioner for Refugees.

Some of those who have returned to Laos have returned to their native villages and are living with relatives. Those who used to own a house or land have had their houses and land returned to them. Others have chosen where they want to settle down. Still others have been

happy to have officials send them to localities that the state is rapidly developing so that they can help develop those localities. It can be said that only 0.5-1 percent of the returnees are dissatisfied and have looked for ways to flee again.

The problem with the Hmong is that they want to return to their homes in the mountains, fell the trees, and engage in slash-burn farming just as they did in the past. But the Lao government wants to preserve the country's forest resources and so it won't allow the Hmong to do what they want. As for the Hmong desire to have a self-autonomous zone inside Laos, with this zone under the supervision of the United Nations, officials can't allow that. Mr. Souban said that the Thai government probably wouldn't allow the Hmong in Thailand to do that either if the Hmong requested that.

It can be seen that large numbers of our Lao brothers are returning to their country. Of the approximately 10,000 lowland Lao who fled, more than 4,000 have already returned to Laos. The several tens of thousands who remain here include hill tribesmen, particularly Hmong tribesmen. Our Lao brothers, on the other hand, feel that their country is now all right and is no longer in such dire straits as it was just before liberation. And things are no longer as tense as they were just after liberation (in the view of a Vientiane taxi driver). But our Hmong brothers probably have a different view.

### Tire Corporation's Capacity, Exports Noted

91P30056

[Editorial Report] The LPRP [Lao People's Revolutionary Party] daily PASASON on 1 October carried an article by Viset Savengsuksa reporting on his visit to Ta Khmau tire factory in the State of Cambodia's Kandal Province. The tire factory's management told the reporter that it began operation in 1966 and produces both for the domestic market and for export, "but since the market is not yet very large, production has been limited," keeping below its capacity of 30,000 to 40,000 truck tires per year. The article indicated that the Council of Ministers initially authorized the establishment of the Kampuchea Truck Tire Production Corporation which oversees the Ta Khmau factory. In the 4th quarter of 1989, the corporation began working on the "economic accountability" system, "mobilizing capital to develop the factory and improve workers' living standards as well as contributing funds to the [State] budget." Although Laos and Vietnam have been long-time customers, the corporation has also found markets in Africa. According to the reporter, product quality matches that of other countries and Lao-Cambodian cooperation is one of "mutual benefits."

### **Aerial Photo Operations for Lao Border Demarcation**

91SE0063B Bangkok EKKALAK in Thai  
20 Nov 90 p 10

[Text] In his capacity as the head of the Thai delegation, Major General Thammanun Udomsornayut, the deputy director of the Armed Forces Survey Department, Supreme Command Headquarters, held a conference with Mr. Boualai Sukhorun, the head of the Lao Communications Department, Ministry of Transportation and Construction, in order to cooperate in taking aerial photographs along the Mekong River. The meeting was held in the conference room of the Nong Khai Industrial Training and Boat Building Center in Nong Khai Province. The photographs will be taken in order to prepare the most accurate aerial map possible.

At the meeting, the participants agreed to prepare an aerial map of the Mekong River from the Golden Triangle to the Lao-Cambodian border. This is because the last map was made more than 30 years ago. But that map is no longer entirely accurate because of natural changes. For example, the banks along certain sections of the river have collapsed, and many new villages have appeared. The government of Finland is providing help in taking these aerial photographs.

### **Training Ends for State of Cambodian Nurses**

91SE0063A Bangkok EKKALAK in Thai 18 Nov 90 p 2

[Text] Dr. Pradit Charoenthaisi, the dean of the Faculty of Medicine, Sirirat Hospital, Mahidol University, stated that 10 Cambodian nurses received their nursing diplomas after taking the 4-week training program provided free by Sirirat Hospital. This was the first group of nurses from Cambodia that Thailand has helped in order to strengthen bilateral relations even though our two countries do not have diplomatic relations.

Dr. Pradit said that the nurses who have completed the training provided by Sirirat Hospital will open a hospital in Phnom Penh and treat foreign diplomats assigned to Phnom Penh, because the existing hospitals there are small, substandard hospitals. Many of the hospitals have closed because of the war, and many of the doctors and nurses have fled abroad. Those who remain have never received proper medical training.

The dean of the Faculty of Medicine, Sirirat Hospital, also said that providing this help is a humanitarian matter. It has nothing to do with politics. In the past, Thai doctors have helped train doctors and nurses from neighboring countries such as Laos and Burma. Sirirat Hospital will continue to support this program, that is, training doctors and nurses from neighboring countries, and it will allow medical students from Cambodia to train at the hospital.

### **Chawalit Criticized for 'Misunderstanding'**

91SE0051C Bangkok SIAM RAT in Thai 3 Nov 90 p 8

[Editorial: "Do Not Understand the 'New Dream'"]

[Excerpts] Each day, the public's understanding concerning the political views of General Chawalit Yongchaiyut declines. People do not understand what political methods he favors. That is, it isn't clear whether he favors continuing to play politics using a parliamentary system or whether he favors using some other form of democracy.

No one knows why Gen. Chawalit is so vague and secretive. But because of this, many people wonder if Gen. Chawalit is trying to move "off the track." [passage omitted]

As Gen. Chawalit gives more and more speeches and talks more and more about the democracy that Rama 7 tried to give to the people and as colleagues of Gen. Chawalit talk more and more about a separation of powers, people are beginning to wonder whether Gen. Chawalit feels that our present system of democracy is useless.

Most recently, Gen. Chawalit talked about a presidential system without explaining this clearly. As a result, people thought that he was talking about either the congressional system of the United States or the presidium system of the Soviet Union. This has confused people even more. Concerning this confusion in people's minds, Gen. Chawalit has never bothered to clarify his views. Because of this, there are some who feel that Gen. Chawalit is involved with the Revolutionary Council of Mr. Prasoet Sapsunthon. And everyone knows who he is and what his ideals are.

Thus, we would like to tell Gen. Chawalit that he shouldn't criticize people for failing to understand him or misunderstanding him. Because from one aspect, it's clear that either Gen. Chawalit or Mr. Prasoet has fallen victim to the public relations propaganda of the other. Or the two are united only on political activities. In view of this, how can people understand his "new dream?"

### **Thai Nation Party Factions Described**

91SE0063C Bangkok MATICHON in Thai 25 Nov 90 pp 14, 15

[Excerpt] [passage omitted] There are rumors that the prime minister will again reshuffle the cabinet in accord with the demands of the military. Besides the fact that the various factions in the party are waiting apprehensively to see what happens, this has also given rise to the "Justice" group, which is led by Mr. Sa-at Piyawan, the deputy party leader from Lampang, and which is composed of an unknown number of MPs from the northeast. This faction favors having a cabinet reshuffle every two years, that is, halfway through the administration's term of office. These rumors have put General Chatchai in a great bind.

In the present situation, the Thai Nation Party can be divided into the following factions:

1. The faction of Gen. Chatchai is composed of nine Thai Nation Party MPs who used to belong to the People's Party. These are led by General Han Linanon, an MP from Nakhon Sithammarat Province. And there may be four or five others who support this faction depending on the situation.

2. The faction of Police General Praman is composed of senior MPs and various small groups. Of these small provincial groups, the important ones are the Prachinburi, Phetburi, and Prachuap Khiri Khan groups and the northern groups. These groups are composed of approximately 30-35 people. The members of these groups include: a. The senior group: Mr. Anuwat Wattanaphongsiri from Buriram, Police Lieutenant General Chamrat Mangkharat from Kanchanaburi, Mr. Sanong Rotphaithong from Nakhon Sawan, Mr. Suchon Champhunot from Phitsanulok, Mr. Rewat Sirinukun from Kanchanaburi, Mr. Sukhum Laowansiri from Nakhon Ratchasima, and Mr. Sakun Siphrom from Nakhon Ratchasima. b. The northern group: Mr. Dusit Rangkhassiri from Phrae, Mr. Prathuan Ramayanon from Chiang Rai, Mr. Songtham Panyadi from Chiang Rai, and Mr. Suraphan Chinnawat from Chiang Mai. c. The Prachinburi group: Mr. Sanao Thianthong, Mr. Withaya Thianthong, and Mr. Burin Hiranburana. A second Prachinburi group is composed of Mr. Saman Phummakanchana, Mr. Sunthon Wilawai, and Mr. Bunsong Somchai. The Prachuap Khiri Khan group: Mr. Udomsak Thangthong, Mr. Wiset Chaiyai, and Mr. Samphao Prachuapmoh. The Phetburi group: Mr. Yuttha Naiphimuk and Mr. Piya Angkinan. The Lopburi group: Mr. Niyom Worapanya, Lieutenant General Anek Bunyathi, and Mr. Kamon Chiraphanwanit. The Ratburi group: Mr. Thawit Klinprathum, Mr. Sarorot Klinprathum, and Mr. Chira Mongkhonrangsi.

3. The faction of Mr. Banhan is composed mainly of younger MPs, the old Sia Yae group, and MPs from the central and northeastern regions. The regional groups include Mr. Prasan Bunmi and Mr. Chanchai Pathumarak from Nakhon Pathom, Mr. Chuchip Hansawat and Mr. Chuchat Hansawat from Pathumthani, Mr. Chongchai Thiangtham, Mr. Bun-ua Prasoesuwan, Mr.

Praphat Photsuthon, and Mr. Chumphon Silapa-acha from Suphanburi, and Mr. Anurak Churimat and his sister, Mrs. Siriphan Churimat, from Roi Et. The old Sia Yae group includes Mr. Nipon Wisitthayutthasat from Ang Thong, Mr. Somsak Prisananantakun from Ang Thong, and Mr. Thotsaphon Sangkhasap from Loei.

This faction also includes various other MPs from the northern, central, and southern regions: Mr. Thawin Chanthaprasong from Nonthaburi, Mr. Soemsak Karun from Rayong, Mr. Somsak Chanduaikit from Rayong, Mr. Prasot Sukhawat from Samut Prakan, Miss Phunsuk Lohachot from Nan, Mrs. Phuanglek Bunchiang from Phayao, Mr. Bunsoem Thawonkun from Phichit, Mr. Yiam Thongchaisot from Phetchabun, Mr. Pancha Ketthong from Phetchabun, Mr. Bunloet Sawangkun from Mae Hong Son, Mr. Chaowalit Sukawat from Uttaradit, Mr. Suphasit Techatanon from Khon Kaen, Mr. Thaem Dibunmi Na Chumphae from Khon Kaen, Mr. Chawalit Mahachan from Chaiyaphum, Mr. Sihanat Rucha from Chaiyaphum, Dr. Prasong Bunphong from Nakhon Phanom, Mr. Wirawon Sitthitham from Nakhon Phanom, Mr. Wirat Rattanaset from Nakhon Ratchasima, Mr. Prakrit Phondet from Buriram, Mr. Phichit Thiraratchatanon from Buriram, Mr. Rawi Kingkhamwong from Mukdahan, Mr. Wisan Dechasen from Yasothon, Mr. Phairot Khruarat from Sisaket, Mr. Wira Chayadecha from Sisaket, Mr. Bunkoet Nakdi from Surin, Mr. Songyot Rammasut from Nong Khai, Mr. Prasit Chanthathong from Nong Khai, Mr. Chaiyawat Phromprasit from Nong Khai, Mr. Phunsawat Hotrawaisaya from Ubon Ratchathani, Mr. Charoen Phakdiwanit from Phatthalung, Mr. Rewuti Chindaphon from Phuket, and Mr. Withun Langchi from Satun.

4. The "Justice" group split away from the "senior" group of Police General Praman and northeastern groups associated with Mr. Banhan. This group is composed of Mr. Sa-at Piyawan from Lampang, Mr. Sane Sorin from Sakon Nakhon, Mr. Chanchai Phromsakha Na Sakon Nakhon, and Mr. Kittisak Hatthasongkhro from Udon Thani.

However, these numbers and subordinate groups are very susceptible to "lobbying" depending on the situation and on certain stratagems.



## MILITARY

### Educate, Maintain Discipline at Grass-Roots Units

912E0045A Hanoi TAP CHI QUOC PHONG TOAN  
DAN in Vietnamese Oct 90 pp 56-59

[Article by Colonel Bui Dinh Nguyen: "Teach and Maintain Discipline in Basic Units"]

[Text] Military discipline is a matter with which commanders have always been concerned, for it is one of the factors creating strength with which to win victory. Everyone acknowledges that, but what can be done to maintain discipline and increase the combat readiness of the people's armed forces, so that they can truly serve as the pillars of national defense by all the people in the enterprise of building and defending the fatherland? That is a matter of concern and worry for many leadership and command cadres.

Everyone knows that the nature of the military discipline of the revolutionary army—the Vietnam People's Army—never changes. But the requirements of discipline always develop to an increasingly higher level, in accord with the development of the situation and missions. Today, the discipline requirements of a conventional army which fights with concentrated coordinated combat arms and armed forces branches in modern people's war to defend the fatherland are completely different from the discipline requirements of the troops who participated in dispersed activities in each area during liberation wars in the past. In the unification of action in combat and the management of the army's modern weapons and equipment, the situation will not be as simple as when we had only rifles, bags of rice, bare heads, and bare feet, as in the past. Furthermore, with the slogan of building forces which are "elite but not large," the disciplinary requirements are even higher, in order to create quality to compensate for the reduced number of regular troops.

As regards the disciplinary situation of our army at present, there are different opinions and evaluations about the actual situation and the extent of the problem. But with a spirit of speaking frankly and truthfully, it must be acknowledged that in recent years the disciplinary situation in the army has not truly met the increasingly greater requirements of our responsibilities, and in some aspects and in some places has declined, sometimes seriously. The leadership and command echelons and the responsible organs clearly understand that reality and have taken many steps to overcome it, but violations of discipline have not declined notably and in some units, especially the basic units, the number of disciplinary violations has continued to increase. Nor has the number of cadres and party members (including managing cadres) who must be disciplined for violations declined.

There are many different reasons for the decline in the disciplinary situation. The most concentrated manifestation is that some cadres, party members, and mass organization members are unenlightened and do not play a vanguard role. Many people appear to have forgotten the tradition and noble appellation of "troops of Uncle Ho." Some people know that they are mistaken but do it anyway, and know that others are in error but say nothing, in hopes that "if I'm easy on them they'll be easy on me." Those manifestations have resulted in a weakening of the struggle and a relaxation of troop management. The evils of bureaucratism, militarism, remoteness of cadres from enlisted men, a lack of democratic discussion, and giving blank checks to the lower echelon and enlisted men in everything, from combat readiness training and production labor to troop management, equipment management, etc., occur often in many units, especially the basic units and units doing economic work. In addition, the good resolution of the policies toward the army and its rear area has not received attention and they are still beset with many irrationalities which exert considerable influence on military discipline at present. For example, the echelons have not been concerned with providing stable jobs for fulfilling their military obligations, and many draft evaders have not been punished in accordance with the constitution and laws. Many of them in the "privileged child" category have even been provided jobs in "choice" places or selected to work in international cooperative labor programs or to study abroad. Furthermore, there are a number of other reasons regarding difficulties in economic life and negative social phenomena affecting the psychology, morale, and thought of cadres and enlisted men on a daily basis.

In order to strengthen the teaching and maintenance of military discipline in the present phase, first of all units must teach and maintain discipline for their own troops. The key matter is still to make teaching and fostering a spirit of self-enlightenment and consciousness of organization and discipline on the part of all military personnel the key concern. According to data from experiments by educators, education is always 75 percent more effective than the other methods. Emphasis must be on education in the units as soon as youths enter the armed forces. In education there should be a true renovation and we should not be pedantic, expounding classics which are remote, impractical, and lack persuasiveness. Under the present circumstances of our country, it is necessary to speak frankly and truthfully with the men about the difficulties and limitations which have prevented the troops' material lives and morale from being improved, so that everyone can clearly understand the advantages and difficulties, confirm their responsibilities, and contentedly serve in the army. Education not only inculcates communist ideals and the ideological standpoint of the working class but also teaches the virtue, responsibility and duties of revolutionary military personnel in the enterprise of building and defending the socialist Vietnamese fatherland.

Along with education, it is necessary to pay all-out attention to the methods of organizing implementation. Those methods must be practical and easily carried out with the actual capabilities of each unit. Therefore, if an echelon or sector adopts a measure to strengthen discipline it must consider whether or not there is an actual material base for implementing it. We must avoid the situation of bureaucratism and ordering the lower echelon to "mix mortar without supplying them cement." If it is required to build a building or warehouse without being provided wood or money, how can we avoid violations of the forest protection law? Manpower, intellect, and materiel must be concentrated on completing each key link, the evil of militarism must be ended, the qualification of "troops of Uncle Ho" must be restored, and the troops must truly remain children of the people. Things that are not appropriate for the training and combat readiness missions, or for the actual lives of the troops, should be set aside. At present, we must concentrate on enabling the troops to have enough to eat, adequate nutrition, warm clothing, shoes and sandals, hats to wear, beds and mats to lie on, enough medicine to treat their illnesses, sufficient oil for weapons cleaning and illumination, newspapers to read, and radios to listen to. The excessive gap between soldiers and youths outside the army must be reduced gradually.

Second, there must be an organization that is unified and sufficiently strong to encompass the teaching and maintenance of discipline both in the camp and on the outside. The situation of dispersion in the teaching and maintenance of discipline must be overcome. For example, education and training regarding discipline is the responsibility of one organ while management, inspection, recapitulation, reporting, and analysis are responsibilities of other organs. That is irrational, for there are many organizations but they are weak and ineffective.

No matter how the social situation changes, how living conditions are, or how difficult things are, our army must always preserve itself and not become "assimilated" or participate in negative social evils. The more complicated the social changes are and the uglier its influences are, the greater are the requirements for the teaching and maintenance of discipline, just as when there is a contagious disease in an environment it is necessary to know how to keep healthy by fighting diseases which penetrate the body.

If that is to be accomplished it is necessary to have close guidance of the competent organs, from the VPA [Vietnam People's Army] High Command down to the basic units. The organizational system must be light and streamlined, without duplication, in accord with the present requirement of streamlining organization, but it clearly must be effective. The organs responsible for maintaining discipline at all levels must review the effectiveness of their actual activities in recent years in order to apply appropriate measures in teaching and managing military discipline. The way to maintain military discipline outside the camp is to teach a spirit of

self-enlightenment and self-respect on the part of all military personnel, accompanied by the good organization of "military control" forces. Those forces must be trained and their understanding of laws, traffic regulations, and army orders and rules must be improved. Especially, they must have good consciousness of organization and discipline. At present, the "military control" forces are not organized and managed in a uniform manner, and there is no close guidance in a vertical system, so the quality and effectiveness of its activities are still low. Therefore, the organs responsible for teaching and managing discipline at all echelons must study the organization of their "military control" forces in order to maintain military discipline outside the camps.

Third, it is necessary to be concerned continually with bolstering the cadres in charge, especially at the basic level, so that they can play the role of people who directly maintain military discipline. The actual situation has affirmed that whether military discipline is good or bad depends to a very great degree on the cadres, especially those at the basic level. As the basic-level cadres are, so will be military discipline. The upper echelons, including the organs of the VPA High Command, cannot do their work for them. If adequate investment is not made in training a class of officers to serve as models in teaching and managing discipline by means of sincerity, ability, and example, there will be little hope of building basic units with strict discipline. Cadres and officers must study and take meticulous, strict training in discipline, organizational methods, and command while they are studying and training in schools as well as when they return to their units to work. The upper-echelon organs and basic-level party committees must regard that as a permanent mission. Close monitoring, impartial evaluation, and timely training are certain to enable the basic-level cadres to have sufficient ability to maintain discipline and manage their unit. Another lesson we have learned after many years of helping the upper echelon guide that task is that whether or not the basic-level cadres fulfill their responsibility in teaching, managing, and maintaining discipline in the unit is not determined by the upper echelon issuing some directives and bestowing upon them a few words of vague encouragement about honor and responsibility, or forcing them to memorize articles or chapters in the orders, but by means of explicit regulations and policies, added to benevolence and virtue on the part of the upper echelon, so that they can be content, love the army, and give their all to fulfilling their responsibility in a self-enlightened manner.

#### **Rough Treatment of Soldiers by Cadres Decried**

912E0045B Hanoi QUAN DOI NHAN DAN  
in Vietnamese 17 Oct 90 p 2

[Article by Nguyen Lien: "Why Are Some Cadres Still Rude Toward Soldiers?"]



[Text] In the course of working in many units recently we noted here and there instances of cadres being rude toward soldiers. Not only military cadres, but also political cadres, speak and act rudely toward soldiers. According to statistics and actual investigations, we note that nearly all of the cadres who act rudely toward soldiers are platoon and company cadres. The soldiers who are the victims of rude treatment are new recruits.

In units 34, 58, and 10, and groups 57, 61, and 70 we observed that although the leadership and command many times issued admonitory resolutions during meetings and strictly disciplined cadres and party members who spoke or acted rudely toward soldiers, the problem has not been completely resolved. A matter that should be brought up is that cadres who treat soldiers rudely do not do so openly, as in the past, but in a more discreet and sophisticated manner. In some cases, if the soldiers had not sent letters complaining about those acts to the upper-echelon organs and the press, the units would not have known about them.

From investigations and personal interviews with a number of cadres and party members who were disciplined for speaking and acting rudely toward soldiers, we have noted that nearly all were sorry for what they did. However, although they didn't admit it, some cadres still expressed their belief that it was necessary to apply stricter measures to force the new recruits and certain soldiers to strictly observe strict discipline in study and work, for only then could the unit fulfill all missions assigned by the upper echelon.

After investigating, and conducting many interviews with leadership and command cadres of groups 61, 57, and 70, we concluded that nearly all of the cadres who were disciplined for treating soldiers rudely were limited in their ability to organize, manage, and command the unit. Furthermore, the daily words and deeds of those comrades did not closely correspond to the responsibilities and duties assigned by the upper echelon, and in some cases were not in accord with army orders. Because of deficient organization, management, and command ability, they not only did not achieve real results but created opportunities for the soldiers to violate discipline. And because of limited organization and management ability, when they were criticized and admonished by the upper echelon they should have been strict with themselves in seeking the reasons for those deficiencies in order to take steps to overcome them, but those cadres did not do so. Their pride was hurt and, "beheading the chopping board because they were mad at the fish," those comrades directed their anger at the soldiers.

In units 34, 10, and 58 we also observed that because of limited ability some political cadres at the company level did not correctly explain the economic, political, and social problems that had arisen when soldiers asked for explanations of them, which resulted in coercion. When

the soldiers protested, those comrades immediately became angry and insulted them.

Some company-level political cadres in unit 58 did not remain calm when they observed soldiers violating discipline. When they saw that soldiers had violated discipline the political cadres should have called meetings and calmly analyzed the subjective and objective reasons so that the soldiers could fully understand, and thereby recommend remedial measures. However, they did not do so, but ordered them to carry out self-criticism immediately. When they saw that the self-criticism essays were too brief they pounded the table, kicked chairs, shouted, and forced the soldiers to rewrite them or be punished.

In addition to the insufficient ability of some cadres, we also noted that some of the soldiers did not voluntarily study and train, and did not strictly carry out the disciplinary regulations and orders of the commanders. That itself is a reason why command cadres have spoken and acted rudely toward soldiers. When we arrived at unit 58 to work we caught three soldiers leaving the camp without permission to loiter in cafes. They were called back by the cadres. Their speech and behavior were improper and were not in accord with the deportment and work style of military personnel. The cadre we met that day was resolute but did not lose his temper. Despite their protests, the three soldiers had to return to the unit and admit their mistake to everyone. Therefore, we felt even more strongly that cadres are still the main reason for the rude treatment of soldiers, and the command cadres must assume primary responsibility.

Realizing the true reasons for the above-mentioned deficiencies, the leadership and command cadres of the units have done a good job of carrying out political education and improving the cadres' ability. The units have been concerned with strengthening the cadres, especially the platoon and company cadres, with regard to their ability to organize, manage, and command the unit in accordance with the responsibilities and duties assigned by the upper echelon. The strengthening is carried out on a permanent basis, so the units have begun to achieve real results.

In the course of the investigations we observed that those tasks carried out by the units are correct but are very time-consuming. If the officer candidate schools increase the practical training time for students so that they can fully understand their responsibilities after they leave the school, that would be much better. During the practical training period and when the students take final examinations, the schools must be more strict so that the students can firmly grasp and become expert in all daily tasks, in accordance with the responsibilities assigned them after they graduate. If they do so, we can overcome confusion about responsibility, which results in rude treatment of soldiers.

## ECONOMIC

### Reports on Petroleum Industry

#### Prospects of Vietnam Petroleum Industry

912E0046A Ho Chi Minh City SAIGON GIAI PHONG  
in Vietnamese 29 Oct 90 pp 1, 2

[Article by Khac Binh: "Vietnamese Petroleum-Gas—The Technical Economic Sector Which Is Young but Holds Many Prospects"]

[Text] [Editor's note]—Gasoline-petroleum is the kind of strategic material that we greatly need in large quantities in order to serve many economic sectors and the people's daily activities. Currently we have a great shortage of gasoline-petroleum, but what about in the future? In a series of articles published in this issue, we would like to mention the early installations of Vietnam's petroleum industry, a technical economic sector that is still young but holds many prospects for development. [end editor's note]

Vietnam's petroleum-gas industry is one of the country's important technical economic sectors. Compared to the world, this industry is still immature but it has already shown good prospects and will make considerable contributions to the country's economic construction and development.

In 1959, with assistance from the Soviet Union, our country began to explore and look for petroleum and gas in a systematic manner for the first time, with efforts being mainly concentrated on the Red River delta. After 1975, the work was extended to the Mekong River delta and the southern continental shelf. In 1981, the Vietnamese-Soviet Petroleum-Gas Joint Enterprise (VIETS-OPPETRO) was established and since then it has been concentrating on an area off the coast of Vung Tau in searching for and extracting petroleum and gas.

According to a preliminary assessment, Vietnam's prospective petroleum and gas deposits exist mainly in the continental shelf along the coastal areas from Quang Ninh to Kien Giang-Minh Hai Provinces. To search and explore for, and to extract petroleum and gas in the sea requires huge capital investment, a high degree of experience, and advanced technology, but the risks are not small. According to statistics gathered in many years, the number of oil-yielding wells found in the Southeast Asian sea account for only 10-12.5 percent of the total number of wells drilled for exploratory and exploiting purposes, with expenses amounting to millions of dollars per well. After the promulgation of the Foreign Investment Law, the Vietnam Petroleum and Gas General Corporation, subordinate to the Ministry of Heavy Industry (the former Petroleum and Gas General Department) since May 1988, has signed with foreign petroleum companies a number of contracts on searching, exploring for, and extracting petroleum and gas in the form of product-sharing contracts, the most common form of contract existing in the world today.

According to these contracts, foreign companies provide 100 percent of the capital required for the search and exploration for petroleum and gas in a given period of time and within a specified area. If a company finds a deposit, drills a well, and extracts petroleum from it, after expenses are subtracted, the profits earned will be divided between the company and Vietnamese sides in accordance with a specified proportion. If the company fails to find petroleum, it has to bear the total risk, i.e., the capital it has invested in the undertaking would be lost.

Dang Cua, director, PETROVIETNAM 2 (Vietnam Petroleum and Gas Corporation 2), says that his corporation controls, supervises, and coordinates the implementation of the petroleum and gas contracts signed with foreign companies, which operate in the offshore areas from Thua Thien-Hue to Kien Giang-Minh Hai Provinces. With nearly 50 of its cadres and civil servants being holders of MA degrees, drilling engineers, geologists, geophysicists, seismologists, mining economists, mechanical equipment engineers, computer scientists, and so on, PETROVIETNAM 2 is fully capable of carrying out its tasks. At the present time, there are seven foreign petroleum companies which, after having successfully bid, are surveying and drilling for exploratory purposes in the offshore areas from Thua Thien-Hue to Kien Giang-Minh Hai Provinces. In addition to PETROFINA (a Belgian company) which has just started a program to survey 11,000 kilometers along the seismological line in the waters off Kien Giang and Minh Hai Provinces, six companies—SHELL (Dutch), British Petroleum (BP—British), SECAB/IPL (Swedish-Canadian) in the area off the coast of Thua Thien-Hue-Quang Nam-Da Nang, ONGC (Indian), Enterprise Oil (British), and PETROCANADA (Canada) in the offshore area near Vung Tau—have completed their overall surveys in about 37,000 kilometers of the seismological line. After having processed and further explained the documents, some of these companies have begun to drill for exploratory and exploiting purposes. Two companies, GECO (Norwegian) and CGG (French), are hired to make seismological surveys (geophysical surveys) by means of their modern seismophysical ships in the areas assigned to the foreign petroleum companies that have signed contracts with Vietnam. According to an agreement, around November 1990 an Australian petroleum company will sign a contract with Vietnam to search, survey, and explore for petroleum and gas in the continental shelf off the coast of Quy Nhon. According to an assessment made by Vietnamese petroleum-gas specialists, the foreign petroleum companies that signed contracts with Vietnam have made careful seismological surveys with advanced equipment, have selected the locations for drilling wells, and have drilled for exploratory purposes to great depths with their floating vessels. To expand the area of the search and exploration with modern equipment as now performed by the foreign companies to some extent helps the Vietnamese side to make a more accurate assessment of the prospective finding of petroleum and gas in the

areas along the continental shelf. Within its function, PETROVIETNAM 2 has assisted the foreign petroleum companies in getting more convenient conditions for their operations, such as opening branch offices, recruiting technical cadres, engineers, accounting assistants, and so on, and has been providing them with guidance in regard to using the technical services of local corporations like Petroleum Service Corporation (PSC), Geophysical Technical Service Corporation (GPTS), Drilling and Chemical Products Corporation (DMC), and so on.

Our country's petroleum-gas and petroleum-gas service industries have so far built considerable material and technical bases for themselves, along with an army of technical cadres and workers and thousands of cadres and civil servants familiar with specialized knowledge of petroleum-gas technology, foreign trade, geophysical technology, construction and assembly of drilling platforms, tourist service, and so on, so as to properly carry out the goal of expanding the international cooperation in exploring for and extracting petroleum and gas in Vietnam. The results that these industries have obtained are only a beginning but are greatly significant for the development of our national economy.

#### VIETSOVPETRO Production Plan

912E0046B Ho Chi Minh City SAIGON GIAI PHONG  
in Vietnamese 29 Oct 90 p 2

[Article by Ngo Thuong San, deputy director general, VIETSOVPETRO: "Petroleum-Gas Joint Enterprise VIETSOVPETRO: Plan for Producing 5 Million Tons of Crude Petroleum Is Within Reach"]

[Text] The petroleum-gas joint enterprise of VIETSOVPETRO was established on 19 November 1981 on the basis of the Vietnam-Soviet Union Intergovernmental Accord signed on 19 June 1981 and dealing with exploring for and extracting petroleum and gas in a number of areas in the continental shelf of southern Vietnam.

The Vietnamese and Soviet sides appointed a Joint Enterprise Council to represent the two states in managing the production and financial activities of VIETSOVPETRO. Representing Vietnam in the VIETSOVPETRO council is the Vietnam Petroleum-Gas General Department, and the Soviet Union the Ministry of Petroleum and Gas.

The initial capital based on expenses and equally contributed by Vietnam and the Soviet Union was used to carry out the work plan in its early stages. The above-mentioned contributions consisted of transferred rubles, freely-exchanged foreign currencies, and the Vietnamese currency dong.

The Vietnamese-Soviet joint enterprise made geological surveys in an area of 59,000 square kilometers divided into seven sections. After 1989, by a request of the Vietnamese side, the area in which VIETSOVPETRO

operated was reduced to three sections. In this area, extraction of petroleum is taking place in the Bach Ho field; extraction in other fields, Rong and Dai Hung, will begin in the coming years, and a number of prospective petroleum- and gas-yielding locations is now under consideration and exploratory drilling may take place.

VIETSOVPETRO officially began to operate in 1982. In two years, 1982-1983, it built a number of facilities and installations for the initial service land base, such as piers, warehouses, drilling platform assembly grounds, drilling bases, repair shops, and so on, to serve exploratory drilling and extracting in the sea. In 1984, VIETSOVPETRO discovered the Bach Ho petroleum field in an area of the sea 120 kilometers from Vung Tau and 50 meters deep. On 26 June 1986, the first tons of crude petroleum were extracted from the Vietnamese continental shelf.

The development of VIETSOVPETRO boosted the overall development of the Vietnamese petroleum-gas industry, which was officially established in 1975, to a greater scale. In three years, 1987-1989, the crude petroleum output increased by five times; the production of crude petroleum in 1990, which is expected to be 10 times greater than that in 1987, will fulfill the goal of the plan calling for extracting 5 million tons of crude petroleum in the 5-year period of 1986-1990 by the end of this year. In the area of Bach Ho petroleum field now there are eight extracting platforms, more than 40 actively-extracted wells, and a network of underwater pipelines linking the platforms with a floating tank station. This station serves both as a receiving station where it processes the newly-extracted petroleum to turn it into commercial-grade petroleum and as a sales center where foreign ships come to anchor and to purchase the petroleum. The daily production is more than 8,000 tons valued at nearly 2 million U.S. dollars at the current petroleum price and will be increasing in the coming years.

In addition to construction of the petroleum field and extraction of petroleum from the sea, VIETSOVPETRO in the period of 1986-1990 has basically completed construction of the land production-serving facilities consisting of drilling platform assembly fields, a 500-meter pier, and a series of other structures, which operate as a combined service base capable of satisfying the needs of the facilities at sea.

Besides the Bach Ho field now being exploited, the Rong field, which is 120 kilometers from Vung Tau, was found in 1986 by VIETSOVPETRO, and the Dai Hung field in 1987. The latter is larger and holds a brighter prospect than Bach Ho, for its many layers provide good petroleum flow. But because of the fact that Dai Hung is in an area 250 kilometers from the shore and 110 meters deep, it will require a large capital investment and the application of advanced industrial practices. According to its projected plans, VIETSOVPETRO will begin production in Rong and Dai Hung fields in the 1991-1995 5-year plan.

By agreement between the two sides, beginning in January 1991, VIETSOVPETRO will switch to total profit-and-loss accounting with the capital needed to sustain its production and economic activities coming from the money obtained from the sales of crude petroleum which the two states give back to the enterprise.

In the 1991-1995 period, VIETSOVPETRO will continue to raise the total production of petroleum and try to reach a level five times greater than that in the 1986-1990 period, and in 1995 alone to boost the volume of petroleum extracted to 6-8 million tons/year.

In addition to accelerating the extraction of petroleum from the Bach Ho field, an early start in exploiting the Rong and Dai Hung fields in the coming years will help VIETSOVPETRO to recover its capital quickly, to distribute profits to the two states, and at the same time to expand the exploration for petroleum in other prospective areas within the region assigned to it.

After nearly nine years of working for VIETSOVPETRO, the Vietnamese cadres, workers, and civil servants assigned the petroleum work, which requires a high degree of specialization, have become more mature in terms of occupational skills and experience. By now they account for four-fifths of the total number of cadres, workers, and civil servants working for the enterprise. VIETSOVPETRO is one of the enterprises that have succeeded in proving themselves in joint enterprises with foreign countries by both ensuring the national interests and strengthening the Vietnamese-Soviet friendship through economic cooperation profitable for both sides.

The realities as encountered in VIETSOVPETRO's operations show that many points in the accord that was signed on 19 June 1981 no longer apply to the present conditions. VIETSOVPETRO should be allowed to operate in accordance with a mechanism that requires it to do total profit-and-loss accounting, to cover its own expenses, and to be responsible for the final costs of its product, which is commercial-grade crude petroleum. It must be allowed to have foreign trade self-rule as other state enterprises have in terms of importing industrial and petroleum-gas materials and equipment. The two states are considering a revision of the above-mentioned accord on the basis of Vietnam's investment law and their line on foreign trade restructuring. VIETSOVPETRO must strive harder to overcome its objective and subjective limits in connection with maintenance and use of materials, basic investment, higher labor productivity through incentives aimed at workers, and application of new industrial techniques to production. Only by making greater efforts can we resolve the question of effectively investing in the petroleum-gas industry.

### **PETECHIM, Petroleum Technology Transfer**

912E0046C Ho Chi Minh City SAIGON GIAI PHONG  
in Vietnamese 29 Oct 90 p 2

[Article by K.B.: "PETECHIM, the Means for Petroleum-Gas Technology Transfer"]

[Text] PETECHIM, the petroleum-gas export-import corporation (formerly Petroleum-Gas Equipment and Technology Import Corporation), was born on 12 October 1981 to fulfill the task of implementing the plan for importing petroleum-gas equipment, materials, and technology based on the documents that Vietnam and the Soviet Union had signed in regard to exploring for and extracting petroleum and gas in the continental shelf of South Vietnam, as well as signing and carrying out contracts to import equipment, materials, service, specialists, technical documents, and so on. In 1987 PETECHIM accepted the additional task of exporting crude petroleum.

PETECHIM currently has a body of cadres, workers, and civil servants mainly consisting of engineers, who are familiar with foreign trade, international markets, and goods used in the petroleum-gas industry. All of the materials, equipment, and technology that are imported for use in the petroleum-gas industry have so far been imported by PETECHIM in accordance with placing orders and having prices approved by the petroleum-gas industry and VIETSOVPETRO. Thanks to its close relations and extended dealing with more than 500 companies producing and doing business in petroleum-gas materials, equipment, and products, PETECHIM has access to quite accurate information allowing it to compare prices and quality of goods before importing them for the domestic petroleum-gas industry. As a result, many kinds of imported technical means and equipment are suitable for the production needs of the Vietnamese-Soviet joint enterprise. In the nine years of its operations, PETECHIM has imported a rather great quantity of materials and technical means and equipment used in the exploration for and extraction of petroleum and gas at prices lower than those offered in price lists approved by the petroleum-gas industry and VIETSOVPETRO. PETECHIM has actually helped VIETSOVPETRO to save 197 million rubles and 49 million dollars from the total value of imported goods that it had requested. The progress that the Vietnamese petroleum-gas industry is making comes from only initial steps. In these steps, PETECHIM is striving to be always a reliable assistant and the "go-between" for this industry in the transfer of technology and foreign currencies.

### **Tuy Ha Oil Refinery**

912E0046D Ho Chi Minh City SAIGON GIAI PHONG  
in Vietnamese 29 Oct 90 p 2

[Article by To Thuy Anh: "Initial Installations in Tuy Ha Oil Refinery"]

[Text] Returning to Long Thanh after a year's absence to visit the Oil Refinery Construction Corporation, we no



longer were able to recognize the old installations we had seen. Construction of a wide asphalted road linking Long Thanh and the center of the construction site has been completed and now the road lets vehicles move at high speed in its five wide lanes. Groups of houses, shops, and work buildings stand close together. Outside a wall that serves as a fence is a forest of newly-planted eucalyptuses. The large piece of uncultivated land covering hundreds of hectares that the provincial people's committee gave to the construction sector on 13 February 1987 is now totally different. The area reserved for the construction industry and the residential area have been erected exactly as they were planned.

In the construction industrial area, the CP.75 concrete-making shop with equipment from the Soviet Union has been assembled and installed; with its capacity of 20 cubic meters/hour, it can supply the projects with about 150 cubic meters of fresh concrete a day and also make precast reinforced concrete forms for assembly jobs. The woodwork shop area, which is the largest main-shop area and is about 80 percent finished, will accommodate many pieces of machinery for woodworking to allow annual production of 120,000 square meters of planks used to make forms for concrete pouring, 5,000 square meters of boards, and 500 square meters of doors of various kinds. Construction of the 1,400-square meter service shop for repairs of vehicles and machines is almost completed; it will be able to repair 150 vehicles and 145 pieces of construction machinery of various kinds. The reserve gasoline and petroleum tanks are being expanded in order to double their current storing capacity of 120 tons. More than 50 percent of the construction work has been completed in the area of materials and equipment warehouses, which will be able to handle about 7,000 tons of equipment and materials a year.

In the residential area, more than 15,000 square meters of housing have been fully erected; the 4,000-square meter housing development in Long Ha is being rushed to completion.

In the entire region, a total of more than 10 kilometers of major roads and minor roads leading to different areas has been built, with 6.2 kilometers having been asphalted. The electric power network has been upgraded to 15 kilovolts, with three-phase electricity now being supplied to production areas.

According to Oil Refinery Construction Corporation Director Tran Dinh Ngo, with borrowed capital amounting to about 2-3 billion dong and with another 2-3 billion dong of capital having been granted by the state budget, the construction of the initial support installations serving the future oil refinery industrial center could not be completed by the end of 1990. He would need an additional capital investment of about 1.5 billion dong and 6 months of hard work at the construction site.

However, the work to be done in this region is about to come to an end, and yet nobody knows when the construction of the refinery itself will start because of

lack of invested capital. The future is really bleak for 1,500 cadres and workers of the corporation's construction sector. Their monthly income does not exceed 60,000 dong per person. How can they cope with the situation of skyrocketing prices and daily life plagued by shortages and hardships?

The state has officially announced the shortages of gasoline, petroleum, and the hard currencies needed to import gasoline and petroleum for production. The tense situation in the Persian Gulf has led to continual oil price fluctuations. The petroleum fields in the southern continental shelf have been yielding millions of tons of crude petroleum a year. Is there a good reason for us to continue to export crude petroleum in order to buy gasoline and oil to run our machines? We can no longer further delay the construction of the oil refinery. This is a realistic demand on the part of the Vietnamese economy, instead of just an opportunity to save the lives of tens of thousands of laborers in the construction sector, who have been eagerly waiting for jobs in order to earn their living.

#### List of Companies Prospecting Oil in Vietnam

912E0046E Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 29 Oct 90 p 2

[List of foreign companies: "Seven Foreign Oil Companies Now Surveying, Exploring for Petroleum, Gas in Our Southern Continental Shelf"]

[Text]

#### Seven Foreign Oil Companies Prospecting Oil in Southern Continental Shelf

	Name of Company	Nationality
1	CNGC	Indian
2	SHELL	Dutch
3	BRITISH PETROLEUM	British
4	ENTERPRISE OIL	British
5	PETROCANADA	Canadian
6	SECAR IPL	Swedish-Canadian
7	PETROFINA	Belgian

#### Council Comments on Gasoline, Oil Problems

912E0040A Hanoi HANOI MOI in Vietnamese 5 Nov 90 p 3

[Article by Nguyen Trieu: "A Couple of Points on Gasoline and Oil and Negative Examples"]

[Text] At the end of September, the Council of Ministers issued the initial directive on using and conserving gasoline and oil in the new situation with three basic elements: immediately cut the gasoline and oil norm for installations that consume gasoline and oil in excess of

the technical requirement to produce a unit of product; combat theft of gasoline and oil under all forms; increase the wholesale and retail price to some extent to compensate for purchasing expenses.

Only one of the elements—increasing the price—has been achieved after a month of implementation. Waste in production, consumption, and theft are still not down much.

On 19 October, not one month after, the Council of Ministers issued another directive on this matter after having discussed and consulted with the highest level leadership cadres of the party and state.

Conserving gasoline and oil is first of all closely connected to the power, construction, and agricultural production sectors. Currently, 50 percent of the imported oil is used in the power sector. According to a notice, the electricity we squander is enormous because lines are too old, use is chaotic, plans for construction of transformer stations are not keeping up with requirements for production and daily life. The money electricity collects does not meet norms. This is closely connected to very widespread negative acts in the power sector.

In the past, the importation of automobiles and motorcycles has been fairly haphazard. The number of compact cars using public gasoline to take care of private business is fairly widespread, especially in the southern provinces and cities. For many directors, prestige and honor are first of all connected with highfaluting vehicles for getting around, not to the production results of the installations for which they are in charge. The saying "the factory belongs to the worker, the vehicle belongs to the director" is completely in line with reality. Because they don't have to spend money for gasoline and oil, repairs and maintenance, many directors use vehicles for pleasure.

In Hanoi there are many privately owned gasoline stations, especially on the main lines of communications. And in a number of provinces, private individuals have put drums of gasoline up for sale along the road. Everyone knows where this gasoline comes from, but how do you stop it, quash it? Even responsible agencies are at a loss.

Although gasoline and oil imported from zone 1 according to previously approved agreements are on schedule and in the right amount generally speaking, the percentage is not exact; the amount of gasoline is decreasing; the amount of oil is increasing yet we are in great need of gasoline. There is still no assurance in the fourth quarter that the percentage between gasoline and oil will be in line with agreements.

The crisis in the Gulf region has sent the price of gasoline and oil on the international market skyrocketing. And we must import gasoline and oil from zone 2 with hard foreign currency at more than double the price of before;

meanwhile, the price of crude oil we produce is not increasing at the same level as the price of gasoline. This is another loss.

Obviously, the crisis in the Gulf region is only causing difficulties in a definite period of time. We will increase the capacity of hydroelectric plants and oil rigs out at sea will produce more. But regardless, the present use and loss of gasoline and oil are unacceptable.

One of the oil conservation measures is to reduce the consumption of electricity in cooking and substitute coal. But there are no answers now on what form of coal will be supplied or what will be used that is convenient.

A new change in our economic management thinking is that this time, alongside conservation, there is the search for alternative sources of supply and the creation of additional ones. Corporations and even private individuals have the right to look for and import gasoline and oil. Moreover, foreign corporations also are permitted to open agencies to sell gasoline and oil in Vietnam.

Gasoline and oil are surely continuing to rise in price. Electricity has too. But this price increase must be consistent with and fall under the control and management of the state, not an increase because of a perceived need like the contemptuous cigarette price increase presently.

#### Prospects of Nuclear Sector Reviewed

912E0047A Ho Chi Minh City SAIGON GIAI PHONG  
in Vietnamese 10 Nov 90 p 1

[Article by Professor Pham Duy Hien, director of the Nuclear Research Institute]

[Text] The nuclear reactor at Dalat has been in operation for seven years. Thus, for seven years now, our country has been one of the 54 countries in the world to have a nuclear reactor, an essential tool of a country with a modern science and technology. We have regulated the radioactive materials with an output to satisfy needs, which are increasing approximately 70 percent a year. Thanks to having "domestic" radioactive materials and nuclear equipment manufactured domestically, the use of nuclear technology has expanded greatly in the spheres of public health, analysis, industry, and agriculture.

After seven years of construction, our country's nuclear science and technology sector has "gone into orbit." By around the year 2000, it should be able to hit the targets of an economic-technical sector. The success in hitting these targets must be manifested through acknowledging the economic and social achievements of the technical advances applied by the production sectors. In this, the nuclear sector must pay greater attention to developing its potential, particularly in the key technical spheres. Continuing to develop the technical advances that have been made, the nuclear sector is eagerly awaiting the birth of new technical advances.



Nuclear medicine will certainly be modernized at a number of large hospitals, and the use of a number of simple diagnostic and treatment procedures will be expanded at the local hospitals. Expanding the installations that treat cancer using irradiation is a pressing need of the people, and favorable steps are being taken to satisfy this need. The Nuclear Research Institute will cooperate with cancer patients in putting radiation techniques using Iridi-192 into use (to treat cancer of the cervix uteri).

Today's preparations with respect to the material base will, in the near future, allow us to develop and use radioactive marking techniques in order to discover leaks in dams, reservoirs, and underground pipes, determine the laws of movement of silt and alluvial soil in the ports, river mouths, and canals, study erosion, and so on.

Even though the use of radioactive materials has expanded, the Dalat reactor should be able to produce enough radioactive materials to satisfy needs for many years. In today's conditions, in which the radioactive materials imported from the socialist countries must be paid for in a hard currency and in which they are much more expensive than those produced domestically, ensuring the safe and stable operation of the Dalat reactor is of great economic and social significance. Today, once every three weeks, the Dalat reactor is operated based on a system of 100 continuous hours in order to supply radioactive materials regularly and on time for the installations. In reality, the reactor could be exploited much more if society needed this.

Radiology, which uses very powerful sources of radiation or accelerators, is a new technology that has been greatly expanded in many countries in the world in recent years. At Dalat, the 16,000-curie, cobalt 60, source has been developed on a production scale to test the processes involved in sterilizing medical implements, vulcanizing natural latex rubber, reinforcing the mechanical capacity of materials using plastic, polymerizing wood, and so on. The development of these technical processes on an industrial scale requires that we build a large irradiation center or electron accelerator. The investment plans prepared by the Ho Chi Minh City Science and Technology Commission show that if the source of radiation reaches more than 500,000 curies, Cobalt 60, the irradiation installation will be able to satisfy many of the immediate needs of Ho Chi Minh City and perhaps repay the capital after 4-5 years.

Actually, the reactor has other functions besides transforming radioactive materials and developing the techniques of nuclear analysis. Another important function is to prepare ranks and potential for atomic energy, which is the direction of energy use and exploitation of many countries in the world. Naturally, with the events at Chernobyl, atomic energy in the world has had some "bad luck" and must pay a very high price for a number of incorrect views about the superiority of atomic energy. Recently, with the concern about the greenhouse effect and the warming of the earth and the concern

about the environmental damage that could result if thermal electricity and hydroelectricity are not exploited rationally, these energy production plans cannot be viewed as final solutions with respect to the energy needs of man. France's atomic energy output accounts for 70 percent. Closer to us, Taiwan and South Korea continue to give priority to developing atomic energy. Indonesia has begun building its first plant. And recently, the prime minister of Thailand disclosed that Thailand will build an atomic energy plant. If Vietnam is to have its first atomic energy plant by the year 2010, this plan must be implemented before 1995, and plans on the preparatory work must be made now.

Thus, in view of the fact that the scale of use of the radioactive isotopes has been expanded, that industrial irradiation installations will be built in Hanoi and Ho Chi Minh City, and that we have a modest atomic energy program that is not too far behind those of neighboring countries, in the coming decades, our country's nuclear sector will hold the position of an economic-technical sector and deserve the attention of the state and society.

## SOCIAL

### Discussion of Renovation in Banking Activities

91E0043A Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 1 Nov 90 pp 1, 2

[Interview of Cao Si Kiem, director of the Vietnam State Bank, by Le Tien Tuyen: "Rectifying and Renovating Banking Activities Are Urgent Tasks in Promoting Economic Development"]

[Text] Editor's Note: Recently problems, shortcomings, and deficiencies have been exposed in the monetary and credit activities. Therefore, some places have lost state property and violated the rights of the customers. The renovation of banking activities in such a way as to promote economic development and be in harmony with the common activities of banks around the world is a matter with which many people are concerned.

Recently, in Ho Chi Minh City there was held a conference of the International Economic Cooperation Banking Council (MBES) and the International Investment Bank (MIB) of CMEA [CEMA]. On that occasion, a SAIGON GIAI PHONG correspondent met with comrade Cao Si Kiem, director of the Vietnam State Bank, and suggested that he respond to some concerns of readers.

The contents of that interview follow:

[Le Tien Tuyen] Can you tell us something about the conference of the MBES and MIB banks that was held recently and the prospects for cooperation between us and those two banks?

[Cao Si Kien] The recent banking conference resolved a major problem: determining the reorientation of activities. The conference was attended by all member

nations, except for the GDR, which withdrew from the council. But the GDR sent a delegation with observer status. Due to the new international developments, the Banking Council decided that it is necessary to reorient activities and gradually transform the two banks into stock-issuing commercial banks. Their sphere of activity will be both within and without the member countries, including the mobilization of capital, lending, and service activities. As regards the mobilization of capital and lending to the member countries, the council unanimously concluded that the capital lent to Vietnam had proven effective and that we had paid our debts on time. In 1990, MIB granted us loans to invest in three projects: the Ha Tien cement mill, Legamex, and Liksin. In accordance with the plan approved for next year, we will be allowed to continue investment in two projects: the port of Vung Tau and Liksin. The council is considering many other projects.

[Le Tien Tuyen] We know that prior to that you went to Washington (United States) to attend the annual conference of the World Bank and the IMF. Can you inform us of some of the major developments?

[Cao Si Kien] That conference was held to evaluate a year of activity and set the direction for the coming year. This year there were some new features with regard to Vietnam's delegation. We were one of about 30 countries allowed to speak at the conference. (On previous occasions we could only circulate reports.) That organization has 162 member nations and our speech received attention. This time we were allowed to meet directly with the boards of directors of those two organizations and discuss our obligations toward them and their responsibility toward us. They noted our transformation in economic reform, our struggle against inflation, our good will in seeking a solution to the Cambodian problem, etc. Many countries and many members of the council expressed an attitude of supporting Vietnam. If the situation continues to improve, I believe that in 1991 not only the above-mentioned organizations, but also foreign commercial banks and private banks, will invest in Vietnam because at present we have strengths with regard to raw materials, labor, and land, in comparison to the other countries in the region.

[Le Tien Tuyen] Recently the state promulgated banking laws. That is the initial legal basis on which to orient the activities of the monetary organizations. Please tell us about the specific implementation of the laws and the problems that must be corrected in monetary and credit activities at present.

[Cao Si Kien] We have completed the drafting of a proposal for implementing the laws by means of systems, mechanisms, and specific regulations. Some were implemented right away, while others are being researched, the opinions of the sectors and localities are being solicited, and discussions are even being held with foreign countries, in order to perfect them. With regard to cadre training, all banks, from the central level down to the local level, have begun to train cadres in accordance

with the new mechanism. Of course, the training of cadres with sufficient ability to meet the new requirements and compete with foreign countries will require time. A number of professional banking matters, in accordance with the stipulations of the laws, such as loan funds, balances, payments, etc., are being carried out. Some have been carried out since 1 October 1990 and some are gradually being perfected.

[Le Tien Tuyen] The laws stipulate that the credit organizations cannot allow a customer to borrow more than 10 percent of the available capital. The total amount of capital lent to the 10 top customers cannot exceed 30 percent of the loan funds of the credit organizations. Against the background of the economy lacking capital and the banks concentrating a large amount of capital in a number of units, if loans are recalled production and commerce will become even more hard-up. How will that problem be resolved?

[Cao Si Kien] The stipulations of the laws are intended to ensure that the banks operate safely. They are included in the over-all goals which the banking sector must achieve, but in the implementation process they will be implemented step-by-step. As regards the question you just asked, at present both the banks and the customers need time to increase internal capital, and can achieve that only if the state supplies capital. In addition, the state must promulgate civil laws, commercial laws, bankruptcy laws, etc., for only then can laws be implemented uniformly and fully. However, we affirm that the banks must take the lead in renovating the mechanism. That is an urgent task in contributing to the promotion of economic development.

[Le Tien Tuyen] At present the implementation of the foreign exchange management policy is beset with many problems. Many units which are not banks still buy, sell, and make payments in, foreign exchange. The publicizing of the foreign currency exchange rate in the city was carried out by four banks with four different rates, which caused problems for customers who came to do business.

[Cao Si Kien] The law stipulates that only domestic currency can be used in trading and commerce within the country. But at present some units are still permitted to do business in foreign exchange. That is so that production will not be impeded. Recently I issued circular No. 222/NG-TT guiding the implementation of Directive 330 of the Council of Ministers chairman, which stipulated that the commercial, export-import, and service organizations must put all foreign exchange they earn into their foreign exchange bank accounts. From now on the buying, selling, and transfer of foreign exchange by individuals and organizations must be accomplished through banks. The account holders may use their foreign exchange to make payments, do business, and pay debts, and the bank must ensure prompt payment. That is the appropriate way to implement the law. We must proceed by taking appropriate steps, but ultimately we still must strictly carry out the foreign

exchange management policy. The four specialized banks in the city had different exchange rates because they applied the exchange rates of the specialized central banks. We have corrected that problem. The State Bank director published exchange rates and the allowable fluctuation range for use by the banks. The banks in an area had to organize associations to determine exchange rates, based on the area and their actual needs. If they applied the exchange rate schedule of the specialized central banks, the exchange rate schedule would have been even more rigid than that announced by the state. That is irrational and is being corrected.

[Le Tien Tuyen] Some people believe that the state wants to "close down" the credit cooperatives. What is your opinion regarding that matter?

[Cao Si Kien] The "explosion" of credit cooperatives in recent years has revealed many unwholesome factors and has harmed the property of the people. That problem is being corrected and rectified so that those organizations can operate in correct accordance with the law. At present we are reexamining the credit cooperatives. Large-scale units which operate effectively will be upgraded to a more suitable form, such as shareholder-owned banks. Vis-a-vis units which still lack some conditions, conditions will be created for the cooperatives to operate in the right direction, and during the first quarter of next year they will be issued permits. And as for credit cooperatives which do not have sufficient conditions and are in a negative situation, they must be liquidated and dissolved. In general, those organizations must be strengthened so that they can operate in correct accordance with their scale and goals, and will not be "closed down." The law has stipulated the contents of those organizations' activities.

[Le Tien Tuyen] Thank you, comrade director.

### Difficulties in Anti-Negativism Movement

912E0042A Hanoi NGUOI LAM BAO in Vietnamese  
Sep 90 p 5

[Article by Tuan Minh: "Opposing Negativism, the Gap Between Words and Deeds"]

[Text] Opposing negativism has become a permanent task of the press during the past four years. In the nation's renovation undertaking, opposing negativism is an indispensable task. There have been many directives and, furthermore, there have been many appeals by the echelons on promoting opposition to negativism. Of course, no one has expressly impeded opposition to negativism.

In the mass communication media, at times opposition to negativism has been vigorous, but at other times they have been silent. Nowadays, it appears that public opinion no longer enthusiastically and hungrily follows opposition to negativism, and among the journalists there has existed the phenomena of exhaustion and boredom toward opposing negativism. Not everyone

agrees that that is the actual situation, and as for entering deeply into analyzing the reasons for it there are different explanations. At any rate, people readily agree with one another about the phenomenon of "frightening silence" toward many negative incidents that have been uncovered, silence by ignoring them and putting them in closed files, silence by allowing the incidents to sink out of sight in the course of time, and silence by halfheartedly prosecuting and resolving them.

It appears that truly opposing negativism is not easy. The usual practice is to "brag about the good and conceal the bad." Everywhere there is a fondness for praise, including a fondness for embellishing the truth and inventing accomplishments, and displeasure when one hears criticism of errors and deficiencies. There is never any self-criticism of negativism (of people or specific acts.)

People are enthusiastic when speaking of opposing negativism, but when they see that a certain negative incident is related in one way or another to themselves they come up with all kinds of excuses to prevent the press from openly publicizing it. A considerable number of excuses are of the following types:

They ask why the many accomplishments and good points are not mentioned but say that to mention errors and deficiencies is to slander the regime and negate the revolutionary accomplishments. Since there are many negative phenomena everywhere, why do we not stick our nose in society at large, but only in the affairs of cadres and party members? To do so is to create opportunities for the powers opposing and attacking the Party and government. Or else they say that at present stability is very necessary and is the foremost requirement, and opposing negativism very easily causes instability and incites a mentality of opposition on the part of the dissatisfied masses.

Some people must participate in opposing negativism reluctantly because of demands by the masses, but in their hearts they have no desire to do so. Because of such reluctance to oppose negativism there have arisen 36 ways to impede the opposition to negativism:

When a negative incident is brought out by the press, immediately a large number of vehemently protesting letters, petitions, and documents are sent to tens or even hundreds of organs of all echelons and sectors to condemn, demand corrections and changes, and even demand the prosecution of the person who publicized the incident.

Even one minor incorrect detail of a newspaper article opposing negativism is certain to become the basis for a campaign demanding punishment for the slanderous acts of the press.

At present, a word, a personal letter, or a report from a party committee member or a cadre with position and authority outweighs a newspaper article. Therefore, there is no lack of instances of newspapers being termed

incorrect when the upper echelon believes that those words or letters could not be incorrect. Thus a newspaper article is easily neutralized.

Recently there has also been a more widespread, more legal method: when a newspaper article exposes a negative incident it is immediately recommended that a competent organ be assigned to investigate and reach conclusions, and it is recommended that during the interval the press refrain from publishing additional articles about the incident. More simply put, when an editor-in-chief cautiously requests the opinion of the upper echelon before openly publishing a negative incident in the newspaper, he is advised that the matter is very complicated and the press should first investigate very carefully, or that "the present social situation is very complicated; the incident may be correct, but it should not yet be printed in the newspaper"! Thus the bad person is given an opportunity to easily clear himself.

In order to oppose negativism persistently and effectively, perhaps the most important matter is that there must be a unified, correct, and full awareness of opposing negativism. It is necessary to resolutely reject all kinds of excuses which impede opposition to negativism. Negativism, to speak frankly, are the evils of arbitrary dictatorship, special privilege, corruption, and degeneracy on the part of cadres, party members and state personnel. They are boils that are widespread in our society today. They are poisonous weeds which must be resolutely pulled, as comrade Nguyen Van Linh said, so that the plant of socialism can grow healthily. Negative phenomena exist throughout society, but by resolutely opposing negative phenomena in the party and in the state apparatus, i.e., in the revolutionary vanguard organizations and in the social management apparatus, we can have conditions for opposing negativism in society. It would be difficult to do the reverse. When the Party sets the example in opposing negativism, its prestige among the people grows. When the Party believes in the people and the people believe in the Party, no enemy can take advantage of our opposition to negativism to sabotage the revolution.

Internal criticism and self-criticism alone are entirely insufficient to eliminate the negative evils. No one who is guilty of negativism sincerely criticizes himself. They are willing to admit their crimes only when faced with irrefutable evidence. Therefore, it is necessary to, by means of public opinion and the press, publicly expose negative incidents, for only then can we eliminate the degenerates. Publicly exposing negativism by means of the mass information media is very tricky business. Therefore, it is essential that articles be accurate and not impartial for any reason. They must present proof, be in accordance with law, be carefully weighed and examined, and fully foresee the resulting consequences. Bravely opposing negativism is essential, but we must not be subjective, one-sided, or arbitrary. Bravery on the part of the press consists not only of daring to speak, but also daring to assume responsibility for the incidents

that are uncovered, and daring to admit deficiencies and properly making corrections when misstatements are made.

Dealing strictly with the negative incidents that are uncovered is the most important link in opposing negativism. However, to date few of the negative incidents brought out by the press have been clearly concluded and dealt with thoroughly. There is the objective reason that the matter is usually complicated, but the subjective reasons are the most important. Many evils have arisen in this prosecution phase: bureaucratism, cover-ups, favoritism, partiality, collusion, and authoritarianism have arisen from the loopholes and laxity of the legal mechanism, from regarding lightly the role of the press and public opinion, from individualistic, localistic, and partialistic thoughts, and from arbitrary, paternalistic, and even authoritarian working methods. The lack of confidence of the masses in opposition to negativism has been caused by the fact that the number of incidents that are prosecuted is still small, but, more important, because prosecution has not been strict. That has led to negativism not being reduced and has only transformed its appearance and legalized it by means of many schemes. Now, public opinion feels that there is still a big gap between words and deeds, precisely in this prosecution phase.

Opposition to negativism is a complicated and fierce struggle because it affects the prestige, position, rights, authority, and power of many cadres and party members at many levels. The campaign to purify the party and state apparatus and make social relations wholesome cannot be separated from the struggle against negativism. Furthermore, opposition to negativism must be the spearhead of that campaign. However, at present there exists the tendency to act contrary to that objective requirement. No one dares openly negate the opposition to negativism, but—a whole series of buts—directives and exhortations alone are insufficient. Efforts must be made, and if that is to be accomplished the leadership echelon, the press, and the masses must create a closely coordinated fight in both the movement as a whole and in each incident, from the uncovering to the prosecution. If we continue to give mixed signals, the gap between words and deeds in the opposition to negativism will become increasingly great.

## Unemployment in Ho Chi Minh City Examined

### Employment, Difficult Problem

912E0044A Ho Chi Minh City SAIGON GIAI PHONG  
in Vietnamese 1 Nov 90 p 3

[Article by Thu Le]

### [Text] Worrisome Figures

During the past five years, because the population has steadily increased at a time when many difficulties have been encountered in production, jobs have become an urgent need. According to statistics, the number of



workers without jobs in the city was 286,964. Among them, 229,434—9.95 percent of the total number of people of working age—were actually seeking employment. That does not include workers in jobs which, because of the developmental tendency of the economy and society, will have to be changed to be more appropriate. They include 55,000 cyclo drivers, 15,000 peddlers, sidewalk bicycle repairers, etc. The number of workers has increased because of natural population increase, redundancy due to staff reductions, the demobilization of troops, etc. For example, in 1989 the city provided jobs for nearly 100,000 workers, while at the same time gaining an additional force of unemployed consisting of 50,000 people who became of working age, 8,000 demobilized soldiers, etc. According to the calculations of a specialized organ, within the next 10 to 15 years, a rate of natural population increase of 1.5 percent a year will cause the city's work force to increase 2.5 percent, an average of 55,000 people a year.

The increase in the number of unemployed is worrisome. But an even more worrisome concern is that practically none of those workers are skilled and some have trades but their skills are at a low level, etc. A specific example is that during the first nine months of 1990 11,000—of whom 50 percent were unskilled workers and only 10 percent were highly specialized workers—registered to seek employment at the Labor Service-Supply Corporation.

The increasing number of the unemployed—those who have long been unemployed, the newly unemployed, those who came from other places, etc.—has become a major problem of society that must be resolved.

#### **An Answer Has Been Found, But...**

It must be acknowledged that in comparison to the other provinces and cities we have advantages for economic development because of our city's characteristic of being a commercial-production center. With the freer mechanism, in recent years the family economy sector has grown rapidly and enriched the city's economy and society, while also creating jobs for many people. However, that development has not been sufficient to absorb all who are unemployed at present. Why? There are many reasons, but primarily because: First, the economy is encountering many difficulties so its ability to absorb workers has been limited, at a time when the number of surplus workers has increased rapidly. Second, most of the unemployed are unskilled and cannot fulfill the needs of the developing sectors and trades, which need to apply science and technology with high specialized and professional levels. Furthermore, the matter of salaries and the other policies toward workers are in many ways still irrational. That is also a factor which has weakened the absorption of workers by the sectors and trades.

A dynamic feature of the city in recent years is that it has contributed to providing jobs for workers, manifested in many forms, such as the subwards and villages introducing workers to the production units in their area, the mass organizations and units setting up employment offices, etc.

However, only a modest number of workers have been employed and no one has investigated the true effectiveness of that task.

Resolving the worry over providing employment is a matter of utmost importance. We believe that it is necessary to expand and develop production. The expansion of production will, of course, absorb labor. However, in addition to expanding production it is necessary to tie it in with reorienting vocational training, and regard that as a way to invest in providing jobs. If that is to be accomplished, the vocational training centers must receive attention, improve their planning and specific orientation, and have appropriate management policies in order to improve teaching and study capabilities along the lines of improving quality.

Furthermore, providing jobs demands that the state have specific policies, improve the salary system and regulate and eliminate irrationalities in incomes in the various sectors in order to attract workers into the production sector, especially the hard-labor trades and jobs in distant areas, with suitable systems and policies.

Furthermore, it is also necessary to emphasize other ways to provide jobs, such as the export of labor, encouraging family production, sending people to settle elsewhere, etc. In order to attain real effectiveness in those tasks, the competent echelons must carefully and scientifically study the actual problems and effective mechanisms and policies to meet a legitimate need of the people: jobs.

#### **Some Statistics on Unemployment**

912E0044B Ho Chi Minh City SAIGON GIAI PHONG  
in Vietnamese 1 Nov 90 p 3

[Article by T.L.]

[Text] According to statistics for the year 1989, the city's population was 3,934,346.

The labor structure: Now employed, 1,499,620, including 1,287,161 in the material production sector and 212,459 in the non-material production sector.

The largest numbers of workers were employed in the industrial production sector (609,359) and the commercial sector (229,434).

Unemployed workers:

In 1989, 286,964 workers—12.45 percent of the total number of people of working age—were unemployed. Of that number, 229,434 were looking for work.

It is noteworthy that in April 1989 there were in the city 12,000 demobilized troops who did not have jobs, and by the beginning of 1990 that number had increased to 18,000.

Results of efforts to provide employment:

In 1985 jobs were provided for 105,612 people. In 1986 jobs were provided for 102,787 people. In 1987 jobs were provided for 137,172 people. In 1988 jobs were provided for 107,665 people. In 1989 jobs were provided for 99,831 people.

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